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PAZ ESTENSSORO PLEDGES SUPPORT TO SILES ZUAZO

PY100044 Buenos Aires LATIN in Spanish 2345 GMT 9 Jul 80

[Excerpts] La Paz, 9 Jul (LATIN)--Centrist presidential candidate Victor Paz Estenssoro today promised his full support to his main opponent in the recent Bolivian elections, Hernan Siles Zuazo, to become president.

The People's Democratic Union (UDP) and its presidential candidate Hernan Siles Zuazo should be allowed to form the government. Moreover, efforts should be mad for them to form the government, said the candidate of the National Revolutionary Movement (MNR) to a correspondent of the Lima newspaper LA PRENSA which was reproduced by the afternoon newspaper ULTIMA HORA here.

Siles Zuazo got the greatest number of votes in the 29 June elections but does not have the minimum required to become president; therefore, Congress will have to vote among the first three candidates.

Paz Estenssoro's remarks were published by the local afternoon newspaper ULTIMA HORA today with the authorization of the person who obtained it, reporter Jorge Canedo Reyes.

Paz Estenssoro predicted today that Siles Zuazo will be able to obtain 81 votes--two more than needed--to become constitutional president with the sole support of his own legislators (60) in addition to legislators of the same tendency.

These are: Socialist Party, PS, (11); New Alternative Revolutionary Democratic Front, FDR-NA, headed by Luis Adolfo Siles Salinas (5); Authentic Revolutionary Party, PRA, of former President Walter Guevara Arze (2); and two leftist peasant organizations (2).

According to Paz Estenssoro, judging from the electoral results, the UDP does not need "political pacts" to get the presidential nomination for its candidate in Congress. The MNR leader said in conclusion: "To prevent the UDP and its presidential candidate from reaching the government would be a negative factor in the country's democratization process."

GENERAL GARCIA EMPHASIZES 'OUTSTANDING ROLE' OF MILITARY

PY090346 Buenos Aires TELAM in Spanish 2310 GMT 8 Jul 80

[Excerpt] La Paz, 8 Jul (TELAM)--The commander in chief of the Bolivian Army, Gen Luis Garcia Meza, said today that there are in his country political sectors interested in destroying the armed forces. General Garcia Meza said that the Bolivian Armed Forces are the main elements of the country's development and emphasized the outstanding role of military chiefs in the government.

The army chief made these remarks as rumors circulate that the Bolivian Congress is trying to meet to resume work and continue the political trial against former President Gen Hugo Banzer Suarez.

A congressional meeting called for yesterday failed because of the lack of a quorum but the president of the Chamber of Deputies, Jose Segarra, insisted on the need to conclude pending matters.

General Garcia Meza said that he is convinced that the armed forces will stop those who are preventing the accomplishment of a real democracy in the country. He emphasized that they are planning to work for the development of Bolivia and the people.

SANTA CRUZ GROUPS DEMAND ANNULMENT OF ELECTIONS

PY091856 La Paz Radio Panamericana Network in Spanish 1700 GMT 9 Jul 80

[Excerpt] Two organizations, one of them a labor union and the other apparently a civic organization, have announced that they will block roads and the Santa Cruz Airport unless the national Electoral Court annuls the results of the 29 June elections within 72 hours. The report from our correspondent in that city says:

[Begin correspondent recording] Radio Panamericana reporting from Santa Cruz:

The Federation of Nationalist Rural Workers of the North [Federacion de Trabajadores Campesinos Nacionalistas del Norte] has decided to grant the government and the national Electoral Court a 72-hour deadline for a general annulment of the elections. While making this decision, the federation warns that it will block all the roads of the department and the airport if it is not heeded. The peasants maintain that the elections were ridden with fraud and that no one should govern the country with the intention to dismember the fatherland to pay for the aid received from international communism.

In turn, the [word indistinct] youth committee says in paid ads in the local morning papers that it has decreed a general mobilization and state of emergency, also asking for the annulment of the elections and expressing opposition to Hernan Siles Zuazo. [end recording]

Departmental Electoral Court's Response

PY100325 La Paz Radio Fides in Spanish 0200 GMT 10 Jul 80

[Text] The president of the Santa Cruz Electoral Court does not know about the ultimatum from alleged Santa Cruz peasant sectors. (Verti Vascope) said that officially he does not know about the attitude of a Santa Cruz peasant group who are asking for the annulment of the elections.

[Begin (Vascope) recording] The Santa Cruz Electoral Court does not have any official information on this matter; therefore, regarding this question I can only say that the departmental court does not have any official information. [end recording]

(Vascope) said that the court has not received claims or a report of irregularities from the political parties which carry out their activities in Santa Cruz.

[Begin (Vascope) recording] Regarding the electoral process in Santa Cruz Department, the political parties have expressed their conformity with the development of the electoral process administered by the departmental electoral court. There are no claims or observations of any kind from the Santa Cruz political parties. [end recording]

COB GRANTS LECHIN 40-DAY LEAVE OF ABSENCE

PY090135 La Paz Radio Panamericana Network in Spanish 0000 GMT 9 Jul 80

[Text] The Executive Committee of the Bolivian Labor Federation, COB, decided to reject the request submitted by COB Executive Secretary Juan Lechin asking for an indefinite leave of absence. The Executive Committee decided, however, to grant him a 40-day leave of absence so that he can take care of personal matters, particularly health matters.

The COB leaders explained that the leaders elected in the COB congress in May 1978 must fulfill their term until 1982. It should be recalled that COB Executive Secretary Juan Lechin Oquendo requested an indefinite leave of absence for personal reasons.

NEGOTIATOR DENIES REPORTS OF PAPAL PROPOSAL ON BEAGLE

PY10 0110 Santiago Chile Diplomatic Information Service in Spanish 0254 GMT 9 Jul 80

[Text] Enrique Bernstein, the Chilean ambassador to the papal mediation in Rome, stated today that the Holy See has not made any official proposal on the Argentine-Chilean southern border dispute, thus denying reports released by the Chilean press on the subject.

"I read the reports and I was surprised by their assertion, because the Holy See has made no official proposal. I do not know about any proposal and since I should know about it I infer that it is nonexistent," Bernstein said. He made a statement to the press on leaving the Diego Portales Building after saying goodbye to President Pinochet since he will soon be returning to Rome to resume his post.

Bernstein said he had held a long conversation with the president but he did not specify the subjects they discussed--according to reports released in Buenos Aires--an alleged Holy See proposal. Asked if he viewed the next steps with optimism he said: "Always, always. We are participating in the mediation with good will and will continue this way, and I believe we will have a very good result."

FRENCH EMBASSY OCCUPIERS LEAVE VOLUNTARILY

PY092339 Paris AFP in Spanish 2282 GMT 9 Jul 80

[Excerpt] Santiago, Chile, 9 Jul (AFP)--The five persons who on Tuesday peacefully occupied the French Embassy here requested that the French Government and the secretary general of the United Nations take interest in the worrisome situation, in their opinion, of the Chilean universities.

These people--four women and one man--delivered their request to Ambassador Emmanuel de Casteja and later abandoned the embassy without the intervention of the security forces.

The five occupiers went to the French Embassy again this morning to thank Ambassador De Casteja for his hospitality yesterday and to make a telephone call to the United Nations Educational, Scientific and Cultural Organization (UNESCO) to which they also voiced their concern.

BRIEFS

EUROPEAN LOAN GRANTED--The Europe and Latin America Bank, EURLA Bank, has granted a $36 million credit to the Central Bank. [Santiago Chile Domestic Service in Spanish 1730 GMT 7 Jul 80 PY]

OIL PRODUCTION--The National Petroleum Enterprise, ENAP, has reported that oil production in 1979 totaled 1,208,048 cubic meters and that this is equivalent to 8,000,039 barrels. This total represents 22 percent of national consumption, which total 36.5 million barrels per year. [All figures as received] [Santiago Chile Diplomatic Information Service in Spanish 0213 GMT 4 Jul 80 PY]

ELECTRICITY COMPANY DIRECTOR--Former Education Minister Adm Arturo Troncoso Daroch has been appointed director of the National Electric Company (ENDESA) Directorate. [Santiago ERCILLA in Spanish 1 Jul 80 p 6 PY]

MINISTER DENIES CRISIS WITHIN ANDEAN GROUP

PA040236 Bogota Domestic Service in Spanish 2330 GMT 3 Jul 80

[Text] Development Minister Andres Restrepo Londono [as heard] stressed today that the Andean Pact is not in a state of crisis. He also said there may be a meeting of the chiefs of state of the five Andean countries at the inauguration of new Peruvian President Fernando Belaunde Terry.

There is no reason for the Andean group to be facing a crisis, Restrepo said, after explaining that he had met with the members of the Cartagena Agreement Board who are in the country.

The minister told newsmen that the members of the board--who met recently with Venezuelan President Luis Herrera Campins and Colombian President Julio Cesar Turbay Ayala--had indicated that the presidents reaffirmed their political commitment to and their clear desire for integration. He added that some decisions of the Andean Pact have been delayed because unfortunately at times many issues were being negotiated simultaneously, and when many subjects are discussed at the same time some unhappiness in generated, but this does not imply a crisis.

Restrepo Londono talked with newsmen at Narino Palace, where he attended the swearing-in ceremony of (Ariel Aguilar) new manager of the Institute of Industrial Development, and Jose Fernando Isaza, new director of the Colombian Petroleum Enterprise [ECOPETROL].

The two ranking officials took their oaths of office in the presence of President Julio Cesar Turbay Ayala in a simple ceremony attended by the ministers of mines and energy, development and public works, Humberto Avila, Andres Restrepo and Enrique Vargas, respectively. Also in attendance were Alvaro Barrera Rueda, outgoing president of ECOPETROL, other government officials and relatives and friends of the two officials.

TURBAY TO ATTEND PERUVIAN PRESIDENT'S INAUGURATION

PA091403 Buenos Aires LATIN in Spanish 2049 GMT 8 Jul 80

[Text] Bogota, 8 Jul (LATIN)--President Julio Cesar Turbay Ayala will travel to Lima on 27 July to attend the inauguration of Peruvian President Fernando Belaunde Terry, it was announced today at government house. Turbay will stay in Lima until 29 July and will meet with several heads of state invited to the ceremony. It was not immediately indicated which Cabinet ministers will accompany Turbay on his official visit to Peru.

GOVERNMENT TO OPPOSE GUERRILLAS MORE VIGOROUSLY

PA062318 Madrid EFE in Spanish 1923 GMT 6 Jul 80

[By Francisco Diaz Gonzalez]

[Excerpts] Bogota, 6 Jul (EFE)--The Colombian Government and the armed forces are determined to act in the future with greater force against the guerrillas operating in the country. The defense minister, Carlos Camacho Leyva, said today that "we shall defeat the guerrillas or destroy them." However, he left the door open so that they can rejoin society by means of the amnesty.

Within this new hard line against subversive groups operating in the cities and rural areas, the Colombian Government presented a formal request to the Panamanian Government for the extradition of the five guerrilla 19 April Movement [M-19] leaders now in Panama. Colombian authorities confirmed this to President Julio Cesar Turbay Ayala and Defense Minister Camacho Leyva. They will not negotiate with the guerrillas under any circumstances, and especially not with the M-19. Meanwhile, the M-19 is willing to accept the amnesty proposed by the president if both parties sit down to discuss it and other aspects of national life.

Government officials as well as congressmen in Colombia are expectantly awaiting the new antiguerrilla offensive. These two sectors feel that if the offensive is not successful things will deteriorate in Colombia, especially following statements by Defense Minister Luis Carlos Camacho Leyva to EL ESPECTADOR, in which he said: "If it becomes clear that there is no other solution for the national problems but a takeover by the military--if the civilian government falls in spite of the efforts we are making--then someone will have to assume power."

LAND USERS GROUP ACCUSES FARC, M-19 OF KILLING PEASANTS

PA091525 Paris AFP in Spanish 1452 GMT 8 Jul 80

[Text] Anserma, Colombia, 8 Jul (AFP)--The National Land Users Association (ANUC) charged here today that the Communist Revolutionary Armed Forces of Colombia (FARC) killed more than 400 peasants in 1979.

According to ANUC president Jose Martinez, who is presiding over an ANUC meeting to study the rural sector's problems, currently being held in this western town, both the FARC and the leftist M-19 have killed peasants who did not share their views. Martinez accused the country's two strongest subversive groups of being enemies of the peasants and said that both the United States and the Soviet Union are enemies of peace while the landholders and the bourgeoisie oppose the agrarian reform.

According to ANUC's charges, both FARC and the M-19 killed over 450 peasants in 1979 "because they did not collaborate with those guerrilla organizations." Martinez added that in the past 10 years, some 35,000 peasants have been imprisoned in Colombia, more than 100 of them have been killed, 30,000 hectares of crops have been destroyed by the landholders and more than 10,000 families have been evicted.

ANTIOQUIA UNIVERSITY CLOSED FOR 8 MORE DAYS

PA071439 Bogota Radio Sutatenza Network in Spanish 1200 GMT 7 Jul 80

[Text] Medellin, Colombia--Activities at the University of Antioquia were suspended once again today. The measure was adopted by the university's superior council due to the intensification of student problems in the past few days. The university will remain closed for 8 more days and the only academic activities that will not be suspended will be those in the health field.

The decision was made after an evacuation was decreed at the university on Friday noon, a development that prevented the student assembly from making any decision on the resumption of classes. Meanwhile, army and policy units are implementing security measures around the university campus.

DEFENSE MINISTER SAYS ARMED FORCES NOT IN POLITICS

PA091801 Quito Voz de Los Andes in Spanish 1230 GMT 9 Jul 80

[Text] Quito--Gen Marcos Subia Martinez, national defense minister, yesterday declared that the armed forces do not intervene in politics and reiterated they are exclusively dedicated to their professional activities. In view of this, he added, I have no comment to make on political matters.

When asked about the status of Gen Bolivar Jarrin, presently on trial to establish responsibility for the death of economist Abdon Calderon Munoz, the defense minister said the armed forces are following the proceedings and will abide by the Supreme Court ruling. He explained that the armed forces were neither supporting nor opposing General Jarrin. He is a member of the institution who is complying with a disposition of the court, he said, adding that the general is under preventive detention as ruled by the court.

DEMONSTRATORS PROTEST INCREASE IN STAPLE FOOD PRICES

PA100043 Quito Voz de Los Andes in Spanish 1730 GMT 9 Jul 80

[Text] There is no sugar; there is no rice in Roldos' government was the slogan chanted a few meters away from the presidential palace by a large group of demonstrators who protested the recent price increase in staple products authorized by the Ecuadorean president.

The demonstrators marched through Quito's main streets to the government palace. As they neared the palace, the demonstration was broken up by policemen who used tear gas against the demonstrators. This obviously caused difficulties for the pedestrians in the area, the merchants whose stores were open and vehicular traffic.

Minister's Response to Demands

PA100044 Quito Voz de Los Andes in Spanish 1730 GMT 9 Jul 80

[Excerpt] Government Minister Carlos Feraud Blum has said that the national government is working to improve the country's situation and to safeguard the supply of staple products. He stressed that if to achieve this prices have to be revised, the measure is acceptable and the people are going to understand this.

The minister also said the government's actions have achieved positive results. He harshly criticized Leon [name indistinct] for discrediting the work of the national government, which is working for the good of the country.

[Begin Feraud recording] I am not surprised that for Leon [name indistinct] Cordero, who is the figure most representative of the country's oligarchy, the results of the government's actions are negative. However, the people fortunately do not share that opinion. Everyone knows that the government is struggling to improve the country's situation. It is working to safeguard the supply of staple products and if prices have to be revised, the measure is correct and the people will understand it. If the food prices are not revised the country runs the risk of worsening the supply problems. This would be even worse. The government's economic team has seriously studied the measures adopted and we are sure that they will benefit the whole country. [end recording]

ACTIVITIES DISRUPTED AS WAVE OF STRIKES HITS LIMA 9 JUL

PY100215 Buenos Aires LATIN in Spanish 1824 GMT 9 Jul 80

[Excerpt] Lima, 9 Jul (LATIN)--The Peruvian state administration was partially halted today by the 24-hour stoppage staged by government employees. The stoppage has aggravated the series of strikes in several labor and medical care sectors. A high percentage of the 300,000 government employees joined the strike, demanding better salaries. The strike affected seven ministries, state prisons, offices of planning, social works and education. The police have disbanded several demonstrations initiated by government employees in the streets of Lima.

The government employees union has demanded a salary increase of 19,000 soles ($63) but the government has only agreed to grant an increase of 7,000 soles ($23) plus two bonuses per year.

At an informal press conference, the leader of the Interdepartmental Government Employees Confederation (CITE), Benjamin Leon, said that if the government does not meet their demands by Monday, the 300,000 government employees will stage a 72-hour nationwide stoppage beginning on Tuesday. In addition to the salary readjustment, Leon said that the CITE demands job security, freedom to organize and the cancellation of a law providing for dismissal of strikers.

After 3 weeks of the strike by 12,000 state hospital and 2,500 social security physicians, the situation continues without solution. Hundreds of patients from state and social security hospitals have been transferred to military hospitals beginning yesterday.

The president of the physicians federation, Cesar Lopez Silva, told the press that if a leader is arrested, all physicians "will automatically abandon all hospitals and ask to be imprisoned." Lopez Silva added: "We have decided that if our leaders are arrested, the government representatives will have to go to prison to talk to them about lifting the strike; and if they are expelled from the country, the government representatives will also have to go to the country to which they expelled them."

Meanwhile 1,500 striking public charity employees are creating difficulty for burials. Hundreds of Lima residents cannot get married or obtain birth or death certificates because of the strike by municipal employees.

BELAUNDE GRANTS INTERVIEW ON FUTURE POLICY

PA091427 Lima EL COMERCIO in Spanish 2 Jul 80 p 4

[Interview with Peruvian President-elect Fernando Belaunde Terry on 1 July 1980 Lima upon receipt of credentials as president of the republic]

[Text] Journalist: What will be your first action on 28 July?

President Belaunde: It will certainly be related to the municipal elections. We are now considering what we can regulate by decree and by law. Obviously, a law requires some processing. The first step we took during my previous administration was to call municipal elections. I expect to repeat such honorable episodes in our democratic history.

Journalist: What will your government's attitude be concerning the control of inflation?

President Belaunde: We must adopt a decision. We are now intensely reviewing this issue with the economists. Actually, there are two ways to go: One way is to aim for stability, which is the path I prefer because I believe it will result in the well-being of the people; if this is not possible, because of the inflationary pressures which often originate abroad and which are therefore uncontrollable by us, a solution would be to try to adjust the fluctuations in the cost of living through salaries. I feel these are the only two ways available.

Journalist: Regarding the rash of strikes, do you believe they are motivated by the inflation or by political reasons?

President Belaunde: I feel that there is an economic backdrop to the rash of strikes. However, I hope that when our plans become known on 28 July the people will show understanding and a sense of cooperation because our goal is to benefit the majorities. I am sure they will understand it that way.

Journalist: My president, do you feel any fear, anxiety or concern over the current wave of strikes?

President Belaunde: Of course, all this is a source of some concern but I feel encouraged by public opinion, the hope that has arisen as a result of the election and the behavior not only of our friends but of our opponents. Al_ this leads us to believe that the measures required to bring prosperity to the majority can be conscientiously adopted in this climate of understanding.

Journalist: What measures will your government adopt to fight this growing labor reaction?

President Belaunde: We will appeal to all labor sectors in the country on the basis of truthful and sincere proposals. I hope they will understand. I have great faith in the maturity of the Peruvian people, who have given much proof of such maturity.

Journalist: When do you expect to release the report on all actions taken in these 11 years?

President Belaunde: Obviously, a study will be made of the condition in which the country is being received. However, this will be done calmly, without haste because we do not want to commit any injustice. Above all, I expect us to tackle the task of building the future.

Journalist: Mr President, is it true that there is some concern among Popular Action circles over the visit announced by General Videla?

President Belaunde: As far as the transfer of power is concerned, it is customary for the outgoing government to invite friendly nations--and of course Argentina is one of Peru's most traditional friends--to accredit delegations. In many cases, the countries accredit their highest-ranking officials, and sometimes the chief of state himself becomes the head of the delegation, thereby honoring us. Naturally, Peru receives all high-ranking officials who visit us with the greatest respect.

Journalist: According to a dispatch from Paris, Amnesty International has charged that two of the Argentines who were expelled from the country have died as a result of the torture they allegedly suffered here at the hands of the army.

President Belaunde: I am not familiar with this matter [as published] by my answer to Amnesty International is perfectly detailed and conclusive. It says all we have to say.

Journalist: Mr President, when will you get in touch with the diplomatic corps?

President Belaunde: I am already in touch with them. I have been honored by visits from chiefs of mission even before this proclamation. The first message I received after the proclamation came from President Giscard d'Estaing. This is very significant because I spent my childhood in France and owe the little I have to what I learned in that society of such high culture and spiritual refinement.

Journalist: Mr President, how do you plan to fight the growing wave of labor reactions evident in the country lately?

President Belaunde: By making proposals aimed at overcoming the crisis, and by counting on the maturity of the Peruvian workers. We realize that the situation of the Peruvian people, of the majority, is very serious. We believe that workers are not being adequately paid in the country. This is a problem with deep roots that of course cannot be corrected just by writing something with our pen. If we were to try to do it that way, perhaps we would be further promoting inflation. So, we are aware of the problem and of the limitations and troubles of the Peruvian people, who are not being paid sufficiently for their work.

Journalist: Don't you think that your government could lose some stability and equilibrium as a result of this reaction involving strikes and lockouts?

President Belaunde: I believe we will have a positive response from all the labor sectors in Peru.

Journalist: Mr President, what does your position as constitutional president of the republic mean to you?

President Belaunde: It is a great honor and a great responsibility. I do not deserve the honor but we are fully prepared to accept the responsibility.

Journalist: Mr President, it is being said that the legislature reportedly will have difficulties in reviewing the budget prepared by Popular Action and if this is so, Popular Action would have to accept the budget prepared by the military for the year 1980. Is this true?

President Belaunde: Evidently the time factor will be tight. The government will have a 1-month deadline this first year, but the future ministers and the outgoing ministers are working hard and a budget--which, of course, will not be perfect--is being prepared. The legislature will have time to review it since the budget doesn't have to be approved until 15 December. Therefore, the legislature will have time to make whatever amendments are advisable.

Journalist: On foreign policy, Mr President, will you endorse the present ambassadors?

President Belaunde: We will have to review their service records and make whatever changes are necessary. For example, Arias Schreiber, our ambassador in Washington--a man we very much appreciate and who has a brilliant service record--will be one noticeable change and not because we don't trust him but because when there is a new government, it is natural that changes take place. Therefore, we hope to continue counting on his cooperation, as we have personally mentioned it to him, but there will be a change.

Journalist: What do you think about the visit of the presidents of the Andean Group for the inaugural ceremony?

President Belaunde: Very meaningful. I want to state that I regret President Roldos is not among them. We would have received him in Peru with the honors he deserves and the fraternal feelings we have for the sister Republic of Ecuador. Since he cannot be present, he has designated former President Galo Plaza, an illustrious statesman of Ecuador and America. So Ecuador will be present for this meeting. The presidents of Venezuela, Colombia and Bolivia, Herrera Campins, Turbay and Gueiler, respectively, will be present.

Journalist: Will this result in your meeting with the presidents of the Andean Group?

President Belaunde: Although time will be short, we will have an opportunity to meet and perhaps discuss some matters of interest to the Andean Group.

Journalist: Will your government continue subsidizing food items?

President Belaunde: We realize that subsidies cannot be abruptly withdrawn. We are aware of the fact that food imports have increased. This is due to the stagnant situation in the country's agricultural areas,which have not increased at the same rate that the population has grown. The only noticeable increase in agricultural production has taken place in San Martin Department along the jungle borders, where 120,000 hectares have been put into use. Because of the roads under construction there, approximately 800,000 hectares can be worked. This would double the agricultural area in the coastal region and this is a positive development.

There have been small production increases due to the expansion in the irrigation system in La Joya. We worked to expand the Tinajonas and Aguada Blanca Dams. The present government has done important work in Poechos, greatly improving the irrigation in that area. Similarly, the Tinajonas irrigation work was a great achievement of our government since it increased irrigation in Lombayeque Department.

These irrigation works are small if we consider the population increase. Now there are 5 million more Peruvians. When I take office, I will be the president of 17 million fellow countrymen. This means that the current food supply problem is more complicated, more serious.

Journalist: Mr President, a local magazine says that your appointment of retired military officers means that within a few months the present commanding generals will be retired and that this has already been discussed and agreed. Is it true?

President Belaunde: The appointment of retired officers as Cabinet ministers has been my opportunity to reaffirm my confidence in supporters of my previous administration. General Muniz Luna performed an important service in the armed forces. He was commander of the Second Region with headquarters in Lima. Therefore, he had my utmost confidence and later he was retired. I am very pleased to reaffirm my confidence in him.

Regarding the Navy minister, you all know the conduct of Admiral Castro de Mendoza following the October [1968] events. I am very pleased to reaffirm the confidence I had in him when he was commander in chief of the navy, a position he discharged with the dignity we all remember.

Finally, Lt Gen Jose Gagliardi was aeronautics minister up to the last minute and conducted himself with the gallantry we all remember. Therefore, the appointment of retired officers has permitted me to reaffirm my confidence, which gives me deep satisfaction. This does not mean that this will be a government norm. Evidently, in the future there will be changes in the military Cabinet team.

Journalist: Mr President, will we continue to deal with the Russians on the Olmos project? It has been demonstrated and verified that they do not have the best irrigation technology.

President Belaunde: We recognize the technical capacity of the Soviet Union and are going to fulfill the present commitments. Naturally, there will be new aspects in which we will will present our own thoughts and preferences but without preconceived ideas to stop or destroy what we find in progress.

Journalist: Mr President, what is your opinion of the country's decentralization system?

President Belaunde: The Constitution establishes some norms. One of them is regionalization. At the outset the government will appoint a commission of technicians and specialists on the matter to propose regionalization of the country. [paragraph continues]

That will be followed by the definite regional development organizations. Meanwhile, we will keep those which exist and reestablish those which were abolished. I am referring primarily to such important organizations as the Cuzcu Development Corporation, the Arequipa Rehabilitation Board, the CORPUNO [not further identified] and the Corporation of La Libertad. Without destroying the organizations now in operation which were created recently, we will try to consolidate the qualities of the new and old organizations to give the regions greater autonomy.

The municipal restoration which I will preside over for a second time will strengthen the decentralization course of the next administration.

Journalist: Regarding legislative action, is the Popular Action Party negotiating with other political groups to select the leadership?

President Belaunde: In fact, as everyone knows, we have reached an agreement with the Popular Christian Party. The legislative majority which we have in the Chamber of Deputies will be complemented with the majority which we will have in the Senate by joining forces. However, this does not close any doors and we have made different negotiations which demonstrate the broad scope of our opinions. In addition, we have included two independents in the Cabinet, Energy and Mines Minister Pablo Kuczynski and Labor Minister Alfonso Grados Bertorini.

Journalist: Mr President, it is important that you tell us whether agrarian reform will experience substantial changes in the technological field.

President Belaunde: We are going to continue the action in agrarian reform while trying to correct errors and especially to correct omissions. We find that agrarian reform has practically centered on land ownership but has been weak in agrarian extension and expansion of the agricultural frontiers. Evidently we will make innovations in these fields.

Journalist: Will you grant land ownership titles to the peasants?

President Belaunde: As far as possible we will try to legalize this situation because uncertainty results in decreased production. Therefore, wherever necessary, we are going to consolidate the properties so that owners can then begin the intense work of producing food.

Journalist: Mr President, although the subject of the newspapers has been discussed before, how does it stand today? Is there any hope that they will be returned?

President Belaunde: We have the hope that the problem of the newspapers will be solved by the present administration. We recognize that the present administration has fulfilled its promise to return the country to constitutional government. This is a matter of justice.

The so-called first phase interrupted constitutional life. The so-called second phase, after the Tacna declaration, did not interrupt the constitutional life because it had already been interrupted. It is evident that it started the return of the country to constitutional life and that it held unobjectionable elections. I recognize these facts which give credit to the administration.

Therefore, I cannot see why this so-called second phase cannot correct an error of the first phase. This error involved the way the government dealt with the press. We believe that the ownership rights of the original owners, the present owners and the rights acquired by the personnel should all be recognized. We believe that it is easy to find an understanding. I believe that several formulas already exist and that there would be no obstacles for the present government to correct this error, which it has recognized. Otherwise, we might become the heroes of the freedom of the press.

Journalist: Mr President, the creation of Ucayali Department with your approval has upset people in Iquitos. An open town meeting was being called to declare General Morales Bermudez and you personas non grata.

President Belaunde: Listen, that is a joke. Me, not wanted in Iquitos? That will never happen. The people of Iquitos are a cultured and conscientious group and my opinion is the following: First, retain the regional unity of Loreto. The problem with Loreto is that it has undergone a natural evolution through its own efforts and development. It is no longer going to be a department, but I hope it will become a region. In other words, it has climbed another step in the geographic ladder. It has not gone down but up.

There will obviously be two or more departments in this region. I don't know how many because that will be decided in a technical study. So far it will be Loreto and Ucayali.

Second the administrative problem in Pucallpa has been solved. It is not a matter of dividing brothers but simply that the distance between the two made administrative work difficult. I don't believe in territorial dismemberments in Peru. Peru is a unit and the jungle area is also a unit.

Finally, Iquitos has been given the status of a free port which benefits all residents of Iquitos. It is a mistake to think that it will benefit only the businessmen and the moneyed classes because if development comes to Iquitos, it will mean the expansion of the city, new construction, more transportation, more trade, more supplies, an expanded agricultural border. Who will benefit from that? Who will get the jobs? Obviously the people. It is totally foolish to say that this measure will benefit only one group of citizens when it is obvious that the city of Iquitos is going to enter a period of great activity which will benefit everybody.

Journalist: Mr President, you held a meeting with Cuban refugees yesterday. Did you promise them anything?

President Belaunde: Yes, I met the Cuban refugees. A very kind and cordial committee paid me a visit. I listened to their views very carefully. Most of them want to go to the United States. That is not up to us. It is up to U.S. immigration officials. We will use our good offices so these people can see their dreams come true.

I have promised to find the way to become integrated into Peruvian society for those who will stay in Peru. I think Peru should welcome them with open arms. They are not aliens to us. Anyone who seeks the protection of our flag is entitled to it and to the fellowship of all Peruvians.

Journalist: Mr President, will your administration try to renew relations with Chile at the embassy level?

President Belaunde: Relations with Chile have not been severed. When the two nations agree, the diplomatic missions will be completed in the most cordial fashion. I am pleased to state that there is no interruption in relations with Chile. We have a competent charge d'affaires in Santiago and Chile has a competent charge d'affaires in Lima. I hope relations will not be cut off in any way during my term, which will promote the brotherhood of all the Latin American people.

Journalist: What will be the status of Arica Department? Will it be claimed?

President Belaunde: We abide by what the treaties say. My commitment to the Peruvian people is to uphold the treaties.

MEXICAN PRESIDENT LOPEZ PORTILLO TO VISIT 30 JUL

PA091752 Paris AFP in Spanish 1456 GMT 9 Jul 80

[Text] Caracas, 9 Jul AFP)--Mexican President Jose Lopez Portillo will visit Venezuela on 30 July after his visit to Brazil, it was learned in government circles today. Lopez Portillo will come to Caracas after spending 3 days in Brazil. The purpose of his visit to Venezuela is to expand the relations between the two countries.

According to the newspaper EL NACIONAL the visit will also help the Mexican president and Venezuelan President Luis Herrera Campins to "refine aspects of the announced program of energy cooperation with the Central American countries." The paper added that Mexico is party to the agreement by which the region will be supplied with oil and technology.

On the occasion of his visit to Caracas, Lopez Portillo will make a formal invitation to Herrera Campins to visit Mexico at his own convenience.

OIL SOLD TO GUATEMALA AT SPECIAL PRICE

PA091516 Madrid EFE in Spanish 0201 GMT 9 Jul 80

[Text] Caracas, 8 Jul (EFE)--According to official sources, Guatemala receives 1,200 barrels of oil from Venezuela at special prices every day. Of the price of each barrel, the sum of $6 (over one-fifth) is financed over the long term, at very low and advantageous interest rates.

The sources explained that, under a cooperation agreement signed in 1975 with the Guatemalan Government, Venezuela provides that country with technical assistance in the area of hydrocarbons exploitation.

A training program is currently being developed by the two countries, which included an oil industry seminar last November at Guatemala's University of San Carlos. The program also grants scholarships to Guatemalan students.

PCV LEADER URGES ORINOCO BELT EXPLORATIONS INVESTIGATION

PA100103 Caracas Radio Continente Network in Spanish 2100 GMT 9 Jul 80

[Text] The Venezuelan Congress should investigate the methods being used by the subsidiaries of PETROVEN to explore the Orinoco oil belt. This was stated by Venezuelan Communist Party leader Radames Larrazabal. He said that there is a mystery surrounding what is happening in the Orinoco oil belt. He explained that this mystery is that it is being given to the transnationals to satisfy the demands of the U.S. energy policy.

The Communist leader believes the national government has embarked on this secret adventure for greater production due to the demands of the transnationals.

Larrazabal pointed out that since no technology for the Orinoco oil belt's heavy crudes exists in the world, the subsidiaries of PETROVEN have begun a feverish exploration competition. The exploration levels of the PETROVEN subsidiaries are more accelerated than the investigations being made by [word indistinct].

The Communist leader also charged that neither LAGOVEN nor (NAVAVEN) nor (MENEVEN [words indistinct].

AIR FORCE TO TRANSPORT POLITICIANS DURING CAMPAIGN

PA070412 Panama City MATUTINO in Spanish 5 Jul 80 p 11, 8-a

[Excerpt] "Whenever possible, the Panamanian Air Force will offer its services to members of any political party--without ideological distinctions--that so requests it in advance," Col Florencio Florez A., chief of the National Guard General Staff, told Ricardo Arias Calderon, president of the Panamanian Christian Democratic Party Political Committee.

Colonel Florez' reply came in response to a letter Dr Calderon sent him in which he said that a Panamanian Air Force Plane, with markings HP2-01, had landed at the David Airport and that between 10 and 12 men and women, all members of the Popular Broad Front Party [FRAMPO] had deplaned.

Thus, there ensued the exchange of notes between Colonel Florez and Dr Calderon, as well as a note from Electoral Tribunal Presiding Magistrate Luis Carlos Noriega to Gen Omar Torrijos Herrera, commander in chief of the National Guard, in which he said he would "be extremely satisfied if the National Guard under his orders would offer the political groups that are going to participate in the 28 September elections for complementary provincial representatives to the National Council on Legislation all the necessary aid for transporting their highest authorities to wherever these persons have to go in connection with the political campaign in which they are involved."

PDC Protest

PA090412 Panama City ACAN in Spanish 2342 GMT 8 Jul 80

[Text] Panama City, 8 Jul (ACAN-EFE)--The Panamanian Christian Democratic Party [PDC] today asked the Panamanian National Guard to remain outside all electoral activity. It also asked the electoral tribunal to "guarantee the Constitution and the election law."

In a communique issued here, the leaders of the PDC, a party which opposes the Aristides Royo government, make a number of charges against what they feel are violations of the Constitution and the electoral law by the Panamanian executive branch. The PDC specifically referred in its communique to the use of Panamanian Air Force planes by the progovernment Democratic Revolutionary Party and the Popular Broad Front Party for their political tours.

Regarding this charge, National Guard Staff Chief Col Florencio Florez has said that Panamanian National Guard Commander Gen Omar Torrijos has issued orders so that all political groups, without ideological distinctions, will be helped in their mobilizations. Nevertheless, the Christian Democrats believe that the goverrment and not the National Guard should grant the aid to the parties.

The PDC also denounced the burning of its headquarters in the western Panamanian city of David. Regarding this action, they denied that one of its main leaders, Ricardo Arias Calderon, was at the site of the fire when the security agents (G-2) of the National Guard were undertaking their investigations, as one of the agents investigating the case has said in his report.

The Christian Democrats also announced that as of 6 July, their party had registered 18,500 supporters, so they have surpassed the 10,000 demanded by the electoral law to present candidates for the next elections.

They added that they will continue to register supporters until the 15 July deadline for such registration. The direct elections to choose part of the members of the Legislation Council--the body which approves this country's laws--will be held on 28 September.

COCHEZ: PDC REGISTRATION ENDS COUNTRY'S POLITICAL INACTION

PA030154 Panama City LA REPUBLICA in Spanish 1 Jul 80 pp 1-A, 6-A

[Text] According to Guillermo Cochez, secretary general of the Christian Democratic Party [PDC], the 12 years since 11 October 1968 have seen disrupted political activity [despolitizado] in the country. Guillermo Cochez told LA REPUBLICA: "This is disquieting, because only those who have been politically organized during these 12 years will benefit in the end if political activity in the country continues to degenerate. I refer specifically to the Marxists."

Cochez said the Christian Democrats realize that their decision to participate [in registration activities] was wise because it means an end to political inactivity in the country. "We now believe that those who have the most to gain from nonparticipation in the opposition are some sectors of the government. They would then be able to continue doing as they please without having anyone question them, as the Christian Democrats are doing now," the PDC leader commented. "We must ask ourselves why the Democratic Revolutionary Party (PRD) is holding primaries and why the Peoples Party has decided to seek registration. Without our participation in the political arena perhaps these things would not have taken place. The primaries are dividing the government party, and the registration [of the Peoples Party] is revealing just how much strength the communists have in this country," Cochez concluded in his statements to LA REPUBLICA.

According to Electoral Tribunal reports, as of last Sunday the PDC had registered 12,764 members, while the People's Party had registered 2,953.

PRESIDENT ROYO REAFFIRMS ALLEGIANCE TO PRD

PA022004 Panama City Circuito RPC Television in Spanish 1730 GMT 2 Jul 80

[Excerpts] President Dr Aristides Royo reaffirmed at a dinner he attended with the Chinese community in Panama that he is a president like any other who belongs to a political party, and that his party, regardless of criticism, is the Democratic Revolutionary Party (PRD).

Among other things, the president discussed the characteristics and objectives of the PRD and the reason why he is a member of that party. The president said: [Begin recording] If the opposition learns tomorrow that I have been here and have voiced these opinions, criticism will not be long in coming: They will say the president should not talk about his party and that the president is not being impartial. It would be worth wondering if President Carter has no party, or if the Spanish prime minister is a man without a party. Go ask Mrs Margaret Thatcher if she has a party. Go ask any president or ruler in any country in the world if he or she has a party. I have my party also.

We will be impartial during the election. When the time comes to count the votes, whoever wins--unlike what often happened in the past--will be acknowledged as the winner. That is how the president and the government must show impartiality as well as by protecting the right to vote, voicing ideas and participating in the elections. [end recording]

BELIZE

UK-GUATEMALA TALKS TO RESUME 14 JUL IN NEW YORK

FL091305 Belize City THE REPORTER in English 6 Jul 80 pp 1, 16

[Text] Reports from Guatemala City say that last week's visit of the Guatemalan foreign minister, Ing. Rafael Castillo Valdez, to the Foreign Office in London was just a "social call, to have a cup of tea". The Guatemalan official in charge of the Belize office was talking to Mr. Joseph Frazier, correspondent of the ASSOCIATED PRESS in Mexico City. In the interview he insisted the call was a social one and would give no further details.

Reporting this visit last Thursday, the Voice of America said Castillo Valdez had flown out to London the day before.

Observers now think that the Guatemalans have not accepted the latest British proposals, but have not quite rejected them either, and that Castillo Valdez' visit to the Foreign Office was made to clarify certain aspects of the proposals.

Officials of the British Embassy in Mexico City have told ASSOCIATED PRESS that the matter of boundary re-adjustments was not one of the proposals put forward by the British, but it was not specifically ruled out.

It is believed the Guatemalans now want the British to give a firm commitment on boundary re-adjustments.

More talks will take place starting Monday, July 14, in New York. Mr. V.H. Courtenay, minister without portfolio, will be attending.

As the tempo of negotiations between Britain and Guatemala quicken, THE TOLEDO STAR of Punta Gorda has become more and more strident in championing the Guatemalan position.

In its June 29 edition THE TOLEDO STAR comes out boldly in favour of an imposed solution. Says the STAR: "In fairness to Belizeans and Guatemalans Great Britain and Guatemala should accelerate their discussions and bring about a prompt solution which is long overdue".

COSTA RICA

PUBLIC SECURITY MINISTER REPORTS NO TRACE OF M-19 LEADERS

PA091533 San Jose Radio Reloj in Spanish 1200 GMT 9 Jul 80

[Text] There is not the slightest trace of the four 19 April Movement [M-19] leaders who held a news conference at the Camaquiri Room on Monday. According to Public Security Minister Carlos Arguedas le Franc, an investigation is currently underway to determine how these people got into the country and whether they are still in Costa Rica. Arguedas added that their presence here does not entail any danger as long as they do not take any action that might endanger the country. According to the minister, the guerrillas may be arrested if found in Costa Rica, not for their ideas but because of their activities.

PROVINCIAL AIRPORT REPORTEDLY USED IN ARMS SMUGGLING

PA091531 Panama City ACAN in Spanish 1425 GMT 7 Jun 80

[Text] San Jose, 8 Jul (ACAN-EFE)--The local newspaper LA NACION reported today that the airport of El Tamarindo, located in the Costa Rican Province of Guanacaste bordering with Nicaragua, was apparently used by planes of various nationalities for arms smuggling. It was from this airport that a Panamanian plane recently took off and then suffered a mishap. The plane was carrying ammunition presumably destined for the Salvadoran guerrillas.

LA NACION quotes the area's inhabitants as saying that Venezuelan, Salvadoran and Panamanian planes have landed at El Tamarindo. It adds that all of the windows of the planes have been covered so no one could see what was inside.

"Normally, 10 minutes before the planes landed, several rural vehicles would arrive at the airport from which fuel tanks and bundles were unloaded, in some cases by two people at a time."

"The townsfolk began thinking that something very special was involved because of the strict vigilance that was maintained around the planes and the speed with which the operation was carried out. To this must be added the fact that the planes arrived at dusk and left before daybreak," they said.

GOVERNMENT ANNOUNCES PRICE HIKES FOR DIESEL, BUNKER

PA091254 San Jose Radio Reloj in Spanish 0100 GMT 9 Jul 80

[Excerpt] The government has announced that effective tomorrow, diesel will cost 2.60 colones per liter; (campin), 2.60 colones per liter and bunker, 1.10. The decree will be published tomorrow and is based on the fact that the Costa Rican oil refinery will not be able to absorb the new prices for crude set by Mexico and Venezuela. These two countries decided to increase by $0.60 and $1.00 the price of a barrel of oil on Friday. This results in a 41 million [currency not specified] increase in oil imports.

President Rodrigo Carazo said that the trend of the oil-producing countries is to maintain a policy of progressive increases in oil prices. These increases will be continued until 1985 when it is suspected that the oil will reach its highest price, which is very difficult to predict at this time. According to the president, the government has been warned that the oil-producing countries will increase the price of crude very 2 months.

Jorge Miguel Alfaro, second vice president of the republic, told the press that the price increase of diesel, bunker and (campin) was moderate.

POTENTIAL OIL SOURCES FOUND IN ATLANTIC REGION

PA091856 Panama City ACAN in Spanish 2143 GMT 8 Jul 80

[Text] San Jose, 8 Jul (ACAN-EFE)--Luis Felipe Sandoval, general director of mines and petroleum of Costa Rica, today stated that the oilfields located in Costa Rica's Atlantic region might be able to produce up to 50,000 barrels daily. Sandoval stated that this figure, which he termed conservative, was obtained as a result of investigations in that region by multinational companies, and explained that one of the wells drilled in the area had been producing petroleum for some time but was later flooded with salt water.

Sandoval also said that the government is very optimistic regarding the possibility of extracting crude and that it will shortly call for bids to conduct geological surveys in the potential oil-producing areas, for which purpose there is $2 million available.

"If the surveys reveal that undoubtedly there is petroleum in commercial quantities, we will immediately begin negotiations with the Venezuelan and Mexican Governments, which have offered to carry out the drillings," the official said. Sandoval further stated that there is such optimism that the Panamanian Government is negotiating with Costa Rica on a plan to carry out joint explorations in the border area.

He also said that "although at present we are not a petroleum-producing country, we have a great potential, according to OLADE."

He concluded by stating that in addition to the Limon southern basin, there are other areas with petroleum potential such as Bahia Coronado on the Pacific coast and the sedimentary basin in Valle del General, located in the southern part of the country.

EL SALVADOR

JUNTA MEMBER DUARTE REPORTS ON EUROPEAN TOUR

PA092315 San Salvador Domestic Service in Spanish 1230 GMT 9 Jul 80

[Excerpt of statement by Jose Napoleon Duarte, member of the revolutionary government junta, during 8 July press conference at the presidential house on his recent working tour of several European countries--recorded]

[Text] I have just returned from a trip to Europe. I visited several countries to exchange views, ascertain the image we had in that part of the world and also to convey a message to some European sectors on the government's position. I want to cite one specific point which has apparently been given some publicity in international news dispatches: the alleged statement made to me by a German chapter of Amnesty International. They have put some words in my mouth that I think were completely misrepresented. I don't know if you have seen the text of the Amnesty International report or the dispatch distributed, but I want to tell you that the dispatch says that I admitted in Bonn today [as heard] that I had accused the army, the armed forces, of doing a number of things against students, trade unionists and peasants and of opening fire on peaceful demonstrations.

These Amnesty International people made the statement in Bonn and I want to explain it. During my visit to Bonn, the German chapter of Amnesty International asked me for an interview which I gladly gave because I believe in dialogue and I believe that we have nothing to hide. We are willing to exchange views with every sector interested in talking to us. Therefore we held a cordial meeting and they asked me a few questions. I gave a historic and political explanation of the process of violence in the country. I told them that a 50-year framework of injustice and lack of freedom has been created in the country and that the perpetuation of injustice and lack of freedom has become so radical that it has led to the violence we have experienced during the past 8 years.

I told them that on 15 October the army, which had been previously used as a tool in the process of controlling the major economic forces, decided to get out of that mold, and so the political setting in the country was changed and a crusade has been undertaken to achieve two important things: social change and the democratic process. The extreme rightwing has not wanted to accept this and thus has generated violence. It was logical that any social reform should produce some kind of violence.

On the other hand, the extreme leftwing does not want to accept the fact that local conditions have changed, that social change is being achieved and that violent change is not necessary. They don't want to accept that. They have forgotten fundamental, structural things and are simply seeking power for the sake of power.

Therefore I told them that it will not be easy to end the violence generated by those sectors soon. This is a matter of process. There is a concept of violence in the country. I don't think there can be any doubt about that. There is rightwing and leftwing violence. We know that the extreme rightwing has even used to its benefit some internal sectors within the repressive system which has existed for many years and which we are trying to tear down.

At this point a representative of Amnesty International made some observations to me and I replied: Look, let us distinguish between Amnesty International's mission as regards its raison d'etre, and its defense of human rights and your own political concepts. So don't interpret things according to your political concepts.

They then asked me what I think about the list of people who have reported on the deaths or disappearances in the country. For instance, they said some Catholic Church sectors have reported some incidents. I said that I think it is totally logical that the church in its evangelical and prophetic role should point to those things that it thinks are wrong regardless of who is causing them.

They asked me how I viewed Amnesty International's position and I insisted that Amnesty International's mission and its raison d'etre is to tell the world anything that might be construed as an injustice or a violation regardless of who causes it--the right, the government, the left, those on top, those below--I understand that that is Amnesty International's mission.

Then they said: Do you think we are doing right to denounce the things [words indistinct]. I told them that this is their job and that is what they are there for.

Out of this those gentlemen wrote the dispatch I have here which is totally false because it distorts all the facts. I am sorry--and I want you all to say so [as received]--I am sorry to think that Amnesty International is lending itself to this kind of action which is simply a way to hoodwink, twist, confuse or mix the truth with twisted interpretations to sustain some kind of political stand. I think I have always been frank and open with all newsmen, with you and the world. I have told you just what I think. We have never tried to hide what is happening here. I think you have freedom to work in this country and we have never hidden anything from you because we are struggling to make democracy possible in the country. We are fighting violence from both sides. To want to twist this to give a distorted image of the facts is unfair, I think.

Therefore I have explained to you what I said and I have told you that I think it is unfair for this chapter of Amnesty International to make this kind of interpretation because it is one thing to say that Amnesty International thinks such and such and still another for Amnesty International to say Mr Duarte said such and such a thing. I make my own statements and I think I am entitled to say what I want to say but I think it is unfair for someone to put words in my mouth. This is what those gentlemen have done. I think it is unfair especially because--see how serious this is--I am a chief of state who would be attacking my own state according to what they say in the dispatch. This is unprecedented. This is absurd. It is illogical. That is what I wanted to tell you.

I think that an image of El Salvador has been projected in the world which shows only the violence we have experienced and continue to experience, but it doesn't show the efforts we are making to fight violence and change this structure. For instance, the world does not know what agrarian reform is. The world does not know that food production here this year will be the biggest in our history.

These things are unknown. Therefore, it is unknown that banks and foreign trade have been nationalized. The world does not know any of these things. The world does not know the efforts that the government is making to control the climate of violence generated here over so many years and this is what I went to say in Europe in all honesty. I visited Lisbon, Paris, Strasbourg, Bonn and Brussels.

DUARTE PROMISES 'NEW UNIVERSITY' AFTER OCCUPATION

PA092355 San Salvador LA PRENSA GRAFICA in Spanish 9 Jul 80 pp 2, 19, 25

[Text] "The University of El Salvador will never again be a center of subversion," Jose Napoleon Duarte said yesterday during a news conference. "The revolutionary government junta," Duarte said, "will issue a message to the Salvadoran people on the subject of the new University of El Salvador which it will turn over [to university authorities] in order that it may henceforth carry out the mission for which it was created."

Duarte explained that the country's main center of study has for many years been the refuge for all kinds of subversive individuals and even common criminals. He also explained that the occupation of the university was not carried out for political reasons as has been stated abroad, but was the result of the circumstances created by already publicized actions following serious incidents in the La Fosa neighborhood. Duarte emphasized that the revolutionary government junta, of which he is a member, has no interest in keeping the university occupied for an indefinite period, but will remain there as long as necessary to normalize activities at the leading center of professional studies in the country.

In response to a question by a U.S. newsman, Duarte referred to the agrarian reform program, saying that it is the most profound agrarian reform in Latin America and one of the most sophisticated and complete programs in the world.

In speaking of the nationalization of the banking system, Duarte said that it is total and that it is no different from other such experiments or implemented programs in the most advanced countries of the world. "What then," he asked, "do those who oppose the profound changes being made by the government find lacking in this process upon which we have embarked?" He answered himself: "Speaking clearly, we have to say that the subversive leftist groups have lost their banners and today they are doing nothing more than causing damage without justification, because they are harming the families with the lowest incomes."

Duarte said that many groups are to blame for the violence. The government has been aware of this and as a preliminary precaution, it has proceeded to make political changes, eliminating the Nationalist Democratic Organization [ORDEN] and appointing new judges, new mayors and so forth, in an attempt to eliminate persons and groups which generate violence. "But this effort is not a 1-day job," he noted. "Time, dedication, faith, hope and security are needed for the definitive achievement of the peace that our people need," he concluded.

Regarding the raids, Duarte said that they are not staged capriciously, but are provided for in the state of siege law in all cases in which there is a suspicion of the illegal possession of arms. As for the cases in which it is determined that there are no weapons in the areas searched, Duarte said that this is beneficial for the persons who own or occupy those areas. Duarte said emphatically that the Salvadoran people are tired of violence, that they demonstrated this on 1 May and have reiterated it on several occasions in which the extreme leftwing has called for illegal strikes, to the point of saying that: "We are on a war footing."

Duarte added: "All this has been a farce, gentlemen, on the part of the strike organizers at the domestic level, particularly as regards the June strike. They announced a general strike and the beginning of the war of the general insurrection. Do you believe there was a general strike and that we are at war and that there is a general insurrection?"

"You are here because you believed reports of the open war, the general insurrection and many other things announced by the subversives, but you have realized that it has been a big hoax," the official said. He emphasized that the extremists have lost power because the people are tired of violence. They want to live in peace and work in order to make progress.

The subversive groups, according to Duarte, have no ability to muster people. He explained that this was demonstrated during last month's strike, when they had to resort to threats and violence to intimidate the people, who showed their repudiation of those groups. All those who participated in the strike were forced to do so because of threats made by the extremist groups on the first day of it.

When the armed forces have guarantees, the people showed their devotion to work and went to their jobs, using all kinds of improvised means of transportation, since the bus owners had also been threatened against circulating their units, Duarte said finally.

FDR SETS 10-DAY DEADLINE FOR RETURN OF UNIVERSITY

PA100007 San Salvador Radio Cadena Central in Spanish 1828 GMT 9 Jul 80

[Text] The Democratic Revolutionary Front [FDR] has given a 10-day deadline for the return of the national university occupied by security forces since 26 June. The FDR announced this in a news conference saying that if the university is not returned by then, it will carry out various activities throughout the cities. It was also said that the occupation of the university was not carried out by army units but by combined security forces. The FDR announced that it will be represented at the next OAS meeting through its members abroad and that it will launch a campaign on behalf of human rights.

OFFICIAL SAYS D'AUBUISSON FREE TO RETURN

PA091522 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 8 Jul 80

[Text] Francisco Bertrand Galindo, Salvadoran ambassador to Guatemala, said today that Maj Roberto d'Aubuisson has not been prohibited from entering El Salvador. [Begin recording--statement in progress when broadcast begins] ... information in that connection. We do not know if he has tried to enter El Salvador or if he has been prevented from doing so. However, I have not been instructed by the Foreign Ministry to deny him any visa either. In general terms, and based on our legal system any Salvadoran citizen is free to enter and leave the country as he wishes; that is, unless he fears arrest for having committed some crime or if he is under indictment. [end recording]

D'AUBUISSON CHARGES MAJANO PLOTTING COUP THIS MONTH

PA092146 San Salvador EL INDEPENDIENTE in Spanish 9, 10 Jul 80 p 20

[Text] At a news conference attended by more than 40 newsmen from various media, Maj Roberto d'Aubuisson charged that Col Adolfo Majano, member of the Salvadoran junta, is plotting, together with the Democratic Revolutionary Front, to stage a coup d'etat during the first 15 days of this month.

In this coup, Majano allegedly will form a new junta made up of Enrique Alvarez, Manuel Ungo, J. Napoleon Rodriguez Ruiz and others who are now in exile.

Majano, D'Aubuisson said, plans to form his government in exile or establish it in a "liberated" territory in order to obtain international recognition. According to D'Aubuisson, the guerrillas would be used as popular militia and the new government would be recognized by such nonaligned countries as Nicaragua, Colombia, Cuba, Mexico, Costa Rica, Panama, and possibly Venezuela.

PAPER VIEWS U.S. POLICY ON GUATEMALA AS 'SIMPLISTIC'

PA092150 Panama City ACAN in Spanish 2101 GMT 9 Jul 80

[Text] San Salvador, 9 Jul (ACAN-EFE)--The Salvadoran morning paper EL DIARIO DE HOY states in its editorial today that "Guatemala has the dubious honor of being the next country in line in the subversive domino effect process underway in Central America." The paper maintains that Frank Ortiz, present U.S. Ambassador to Guatemala, has resigned from his post "because of serious differences with his superiors in the State Department."

"It is rumored that the new ambassador will be an activist of similar persuasion to others who are assigned to some Latin American countries," said the editorial.

It adds that acts of violence have increased in Guatemala ever since the "tragic, but very strange incident at the Spanish Embassy," in which some 39 persons died after a police attack on the embassy in January after it had been occupied by a group of leftists.

The paper says that "it is impossible and risky to attempt to reduce the economic, cultural and human realities of an entire nation to simplistic formulas or pedantic schemes," like those which the United States is allegedly promoting in the area. "To resolve the problems of a great people like the Guatemalans by means of a few slogans or a number of 'changes,' is an affront to the basic nature of peoples," the paper says.

The editorial states that Ortiz has shown "sensitivity to and understanding" of Guatemala's problems. "Although (Ortiz) knows that the situation in Guatemala is far from perfect, he is intelligent enough to know that the solution should not be designed in line with utopian or idealistic schemes, but rather on the basis of alternatives that are viable from the viewpoint of the overall situation," the paper adds.

ERP CLAIMS INFLICTING 300 CASUALTIES ON ARMY IN MORAZAN

PA091812 Panama City ACAN in Spanish 0050 GMT 9 Jul 80

[Text] Tegucigalpa, 8 Jul (ACAN-EFE)--The Salvadoran Peoples Revolutionary Army [ERP] released a war bulletin in Tegucigalpa today claiming 300 casualties inflicted on the Salvadoran armed forces since 17 June. The bulletin states that approximately three battalions (1,000 men) from the 3d Infantry Brigade in San Miguel, the military detachment of La Union, the military detachment of Usulutan and antiguerrilla forces of San Francisco Gotera in Morazan Department had been ambushed. The bulletin adds that those forces were traveling in more than 40 trucks, some of which were armored, and were armed with 81 and 60 mm mortars, .30 and .50 caliber machineguns, G-3 rifles and several armed helicopters. The guerrillas ambushed those troops several times in Morazan Department using contact explosives, mines, automatic rifles, carbines, pistols and shotguns.

It says that 9 trucks were destroyed and that 300 soldiers were killed or wounded while the guerrillas lost 23 fighters, and that 77 civilian sympathizers of the insurgents were also killed.

The operation initiated by the Salvadoran Armed Forces had the objective of eliminating the guerrilla forces operating in Morazan Department on the border with Honduras. The ERP bulletin affirms that the Honduran Army has the area cordoned off and that the Salvadoran Army expects to get the guerrillas in subsequent actions. However, it states that no guerrilla or inhabitant of the area had to flee to Honduras and that the civilians did not sustain more casualties because they had been previously evacuated by the ERP.

The bulletin says that the combined armed forces entered Morazan Department through San Gerardo, San Francisco, San Simeon, Osicala, (Caopera) and Delicias de Concepcion. Their objective was to cut all escape routes but they were ambushed at several places with automatic rifles, pistols, shotguns, carbines, mines and contact explosives.

The principal fighting reportedly took place in Jocoaitique, Menaguera, San Fernando, La Laguna, Rosario, Arambala and Perquin. At the same time the ERP staged an attack on the garrison of San Miguel just as a National Guard truck was arriving and that six of the truck's soldiers were killed and a sergeant named Mata was wounded. It said that the town of Chirilagua in San Miguel Department was occupied and that when the [word indistinct] forces tried to recover it they were ambushed, inflicting six casualties. This town was subsequently recovered by 3d Infantry Brigade troops who clashed with the guerrillas who killed 14 of the soldiers. The guerrilla forces admitted killing four in this clash.

ANTICOMMUNIST BRIGADE CLAIMS RESPONSIBILITY FOR ATTACK

PA100029 San Salvador Radio Cadena Sonora in Spanish 1803 GMT 9 Jul 80

[Text] The Gen Maximiliano Hernandez Martinez Anticommunist Brigade, armed branch of the Salvadoran Anticommunist Army [Ejercito Anticomunista Salvadoreno], has sent a communique to this station claiming responsibility for dynamite attacks inside the Jose Simeon Canas Catholic University which were carried out on 29 June. The communique said that the action was carried out at the offices and printing press of the 30 July Revolutionary University Front because the two places were producing propaganda on how to use and handle weapons. In addition, the communique issued a warning to the Jesuits, whom it blames for the wave of violence in our country.

GUTIERREZ TO ATTEND BELAUNDE INAUGURATION

PA100354 Paris AFP in Spanish 0229 GMT 10 Jul 80

[Text] San Salvador, 9 Jul (AFP)--It was unofficially learned here today that Col Jaime Abdul Gutierrez, member of the government junta and commander in chief of the Salvadoran Armed Forces, will go to Lima at the end of July to attend the inauguration of the new Peruvian president, Fernando Belaunde. Colonel Gutierrez, who will head an official delegation, may expand his tour to cover Venezuela and other Andean Pact countries, the source added but gave no details.

GUATEMALA

HONDURAN, SALVADORAN FOREIGN MINISTERS ARRIVE FOR TALKS

PA092129 Panama City ACAN in Spanish 1623 GMT 9 Jul 80

[Text] Guatemala City, 9 Jul (ACAN-EFE)--Salvadoran Foreign Minister Fidel Chavez Mena and Honduran Foreign Minister Eliseo Perez Cadalso arrived here today for a new round of peace negotiations between the two Central American countries. They were both met at La Aurora International Airport by Guatemalan Foreign Minister Rafael Castillo Valdez who wished them success in their discussions.

The two officials expressed optimism over the development of the negotiations which should lead to the renewal of diplomatic relations between El Salvador and Honduras, which were broken in 1969.

Meeting With President

PA100301 Panama City ACAN in Spanish 0130 GMT 10 Jul 80

[Text] Guatemala City, 9 Jul (ACAN-EFE)--Guatemalan President Gen Romeo Lucas Garcia met here on Wednesday with the foreign ministers of El Salvador and Honduras, Fidel Chavez Mena and Eliseo Perez Cadalso, respectively, and indicated his interest in the reactivation of the Central American Common Market. For their part, the visiting foreign ministers informed the Guatemalan president that the negotiations for the resumption, within a short time, of diplomatic relations between El Salvador and Honduras--broken in 1969--have advanced.

Chavez Mena and Perez Cadalso talked several times today with Guatemalan Foreign Minister Rafael Castillo Valdez about the future of Central America and the present status of the regional integration process. The two foreign ministers indicated that they will issue no official declaration regarding the peace negotiations between El Salvador and Honduras. They said that new deliberations are still pending between the representatives of the two countries, with the mediation of Peruvian jurist Jose Bustamante y Rivero. Salvadoran Foreign Minister Chavez Mena indicated that peace between his country and Honduras has never been closer.

On another issue, the official expressed concern over the recent case of Salvadorans who died in an Arizona desert while on their way to the United States in search of a better standard of living. "We have asked the Governments of Mexico and the United States to carry out an exhaustive investigation of the matter," Chavez Mena said. He added that the process of political and social reforms that the Salvadoran Government is promoting to improve the people's living conditions is progressing satisfactorily.

For his part, Honduran Foreign Minister Perez Cadalso blamed the teachers' strike that is underway in his country on political agitators. Perez Cadalso added that Hondurans are trying to resolve their social problems without violence, something that is encouraging in the face of the panorama of disturbances and confrontations that prevails in the world.

The two visiting foreign ministers were decorated tonight by their Guatemalan counterpart, Castillo Valdez, with the Order of the Quetzal, the country's most important decoration.

The Salvadoran foreign minister is accompanied by Guillermo Rubio Melhado, Alvaro Menendez Leal, Humberto Aquino and Humberto Trabanino. Perez Cadalso is accompanied by Jorge Coello, Policarpo Callejas, Rafael Pastor and Andres Victor Artiles.

The talks between the visiting foreign ministers will continue tomorrow.

LUCAS WANTS TO SETTLE BELIZE ISSUE DURING TENURE

PA092205 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 8 Jul 80

[Text] Talks on Belize opened yesterday in New York. The fourth round of talks began yesterday with officials of the Guatemalan Foreign Ministry and the British Foreign Office as well as a Belizean delegate in attendance. This was confirmed yesterday afternoon at the Guatemalan Foreign Ministry.

It was reported that the first phase of the working meetings was held in Bermuda, then in Edinburgh, Scotland, and now in New York.

Foreign Minister Rafael Castillo Valdez said a special date will be set up for the next working meeting to be attended by the foreign ministers of the two countries. He added that President Romeo Lucas Garcia has said he wants the controversy over Belize to be settled once and for all during his administration or before the end of his presidential term. This was told to our reporters yesterday.

GOVERNMENT WILLING TO REOPEN RELATIONS WITH SPAIN

PA091852 Panama City ACAN in Spanish 2033 GMT 8 Jul 80

[Text] Guatemala City, 8 Jul (ACAN-EFE)--Guatemalan Foreign Minister Rafael Castillo Valdez today stated that the friendship and association between Guatemala and Spain continue unchanged. The official stated that he was not aware of any official communication regarding Spain's intentions to renew diplomatic relations with Guatemala.

Lately, the Guatemalan news media have been publishing reports from Madrid stating that Spain's Popular Alliance Party has requested the renewal of diplomatic relations between Spain and Guatemala.

"Our people and government would receive such a decision with great pleasure," Castillo Valdez said.

Spain broke diplomatic relations with Guatemala last February after individuals opposed to the present government set fire to the Spanish Embassy in this capital when the police occupied the building to evict them. As a result of this incident, 39 persons were killed.

ECONOMIC MINISTER CITES IMPORTANCE OF MANAGUA MEETING

PA092337 Guatemala City Radio Mundial in Spanish 1410 GMT 9 Jul 80

[Distributed by Inter-Central American Radio Organization]

[Text] The meeting of Central American economic ministers held in Managua last weekend is being viewed as very important for the strengthening of the Common Market, Economic Minister Valentin Solorzano Fernandez has said during a news conference. He added that the ministers basically discussed the economic integration process in the area which should be restructured in line with the new political and economic situation in Central America, primarily taking into consideration the serious financial status of some nations, including Nicaragua, El Salvador and Costa Rica, which cannot cover their trade deficits and so need the support of loans from the Central American Economic Integration Bank.

HONDURAS

AGREEMENT ENDING CONFLICT WITH TEACHERS SIGNED

PA091245 Tegucigalpa Domestic Service in Spanish 0400 GMT 9 Jul 80

[Text] The problem with the Teachers Unity Front [FUM] was solved this afternoon when FUM representatives signed an agreement with Public Education Ministry officials. In the agreement both sides promised to jointly work to increase the educational level of the Honduran people. In the document, the ministry promises to increase the wages of the teachers of Gracias a Dios, the manual workers of the elementary and secondary schools and the typists of the departmental education offices. The ministry also promised to work to create 900 new teaching positions in 1981. It also promised to confirm the nationalization of five secondary schools which were scheduled to be nationalized in accordance with a document signed on 8 August 1979. The ministry will also bring 15 secondary schools under government control, particularly those operating in areas where the parents' incomes are low and those located in the border areas.

The teachers promised to cooperate as much as possible in the national literacy campaign. They will also work to get the parents to help reduce the school dropout rate. All of this will help decrease the current illiteracy rate in the country. Tomorrow, all the teachers who live outside Tegucigalpa should return to their places of employment so they can resume their teaching activities as soon as possible.

After the document was signed, the teachers' representatives went to the Government Ministry to continue the talks on the reforms of the teachers retirement law with the commission appointed by the military government. The talks on the reforms of the law were continuing at the time this report was issued. The document was signed by Education Minister Eugenio Matute Canizales and Elementary Education Director Pablo Portillo Figueroa and representatives of the four teachers organizations which make up the FUM.

NICARAGUA

UNCONFIRMED REPORTS SAY CASTRO TO ATTEND CELEBRATION

PA091352 Managua Radio Sandino in Spanish 1514 GMT 9 Jul 80

[Text] Fidel Castro has agreed to visit Nicaragua. Although there is still no official confirmation from Cuban or Nicaraguan authorities, a Colombian broadcasting station last night reported having information that the Cuban prime minister will be present at the ceremonies of the first anniversary of the Nicaraguan revolution. The broadcast of this report coincides with the publication of a similar report by the newspaper EL NUEVO DIARIO today. Many other heads of state and distinguished personalities will be present at the first victory anniversary ceremonies.

LA PRENSA COLUMNIST'S VIEW OF GRANMA CRITICIZED

PA061943 Managua Radio Sandino in Spanish 0300 GMT 5 Jul 80

["The Finger on the Sore" commentary by Wilfredo Lopez Balladares]

[Text] Today's edition of the antisocialist newspaper LA PRENSA carried in its reactionary sampler on page 2 a short feature signed by a certain (Rioncito), which was completely devoted to rabidly attacking a revolutionary paper and uncompromising defender of the cause of our people: Cuba's newspaper GRANMA.

But we are not going to defend that fraternal newspaper. Instead, we will talk about the revolutionary press and its contents, which are radically different from those that suit the columnist mentioned above. (Rioncito's) attack on GRANMA is an attack on the profoundly anti-imperialist and popular contents of the nonbourgeois press.

Dispensing poison through his fangs, LA PRENSA's columnist first attacks GRANMA's typographical presentation--which for us is not the main thing--and then speaks with noticeable contempt about the blockade to which Yankee imperialism has subjected and continues to subject Cuba, as if its effects were only imaginary rather than a cruel reality aimed at strangling a people who demand the right to choose the social system of their preference.

(Rioncito) then crudely mocks Cubans in a way in which he does not mock the imperialists, simply because GRANMA reports our hard-wroking brothers' achievements, the goals reached, the victories obtained during their 20-year struggle against underdevelopment and dependence, the number of hospitals built, the milk produced for children, the workers' cultural progresses, and so forth.

This (Rioncito)--good grief, what a ridiculous pseudonym this McCarthyist has!--must deeply hate all things that come from the people. He must feel a supremacist's wrath when he reads our country's revolutionary papers, which no longer publish social pages reporting on the parties held in honor of Miss Emptyhead on the occasion of her bridal shower.

LA PRENSA's writer complains about the triumphal style of the reports published by GRANMA as if the right thing were--according to his poor judgment--for it to deplore the misfortune of serving the workers instead of reporting on the most recent erotic feats of the jet set's international ladykillers.

The columnist then profoundly deplores the fact that GRANMA attacks his spritual wet nurse, the CIA, and his political stepfather, Yankee imperialism. His ire continues spiraling when he comments that GRANMA caricatures the U.S. President and provides figures on the capitalist countries' economic situation, as if these figures were made up by revolutionary newsmen instead of being obtained from the statistics provided by the institutions of that decadent system.

The angry hack on page 2 of Jaime Chamorro's paper feels sacred wrath over the publication of news about the violation of human rights in the capitalist countries and of reports on our brothers' victories in sports, as if these were not true or, if true, should be kept quiet in order to please this wise and arrogant gentleman.

But the upset columnist practically goes into convulsions when he affirms that [words indistinct] he does not read the lengthy speeches or communiques that he finds are hard on the eyes and patience of readers such as himself, who have not yet been made sufficiently conscientious and still have that bourgeois habit of preferring juicy items.

[Rioncito] admits that he is bourgeois and has not been made sufficiently conscientious. At least his unrestrained desire to mock GRANMA is revealed and he admits his classist and unpopular nature, exposing in the process his stature as a know-it-all pseudointellectual, unable to understand in the slightest way what a revolutionary newspaper is all about.

Chile's EL MERCUIRO, Buenos Aires' LA PRENSA, Mexico's NOVEDADES, Bogota's EL TIEMPO and [name indistinct] personal diary are good for columnists of this kind. But let us leave him to his own poison and let us recall a phrase which, although well-known, is still suitable in cases such as the present one: If the dogs bark, it is because the caravan is moving on.

COMMENTARY HINTS AT AGGRESSIVE CHINESE INTENTIONS

FL100114 Havana Domestic Television Service in Spanish 0000 GMT 10 Jul 80

[Carlos Mora Herman commentary]

[Text] Chinese Prime Minister Hua Guofeng's arrival in Tokyo yesterday to attend the funeral of the Japanese head of state, Masayoshi Ohira, has once more activated the threat of aggression against Vietnam on the part of the Beijing clique. The Beijing Embassy in the Japanese capital has been the scene in the past few hours of a series of conspiratorial visits to the Chinese diplomatic headquarters located in the downtown (Motuasabu) area. One by one visitors have arrived such as the president of Bangladesh, Ziaur Rahman, the prime minister of Australia, Malcolm Fraser, and the representative of the Pol Pot phantom group, Heng Samrin. Under heavy guard of Japanese security, Hua Guofeng went to the Thai Embassy to meet here with Premiar Prem Tinsulanon.

Observers see in all these comings and goings, especially in the meeting taking place tomorrow in Tokyo between Hua Guofeng and U.S. President James Carter, a serious threat of war in Southeast Asia. Tomorrow, the carefully watched Okura Hotel in Tokyo, where the U.S. delegation will stay, will be the stage for the Carter-Hua Guofeng meeting. According to experts, the two will discuss the situation in Kampuchea and Afghanistan as well as U.S. support to the remains of the Pol Pot gang, the Pakistani regime, and the counterrevolutionaries of Afghanistan and other countries in the area. (?This is the reason why) during the past few months the United States has been sending large shipments of arms to Thailand, arms that end up in the hands of the Pol Pot provocateurs who operate on the border with Kampuchea. Key points in the Carter-Hua Guofeng talks will be the Thai borders with Laos and Kampuchea, as well as the Chinese-Vietnamese border, as part of the open complicity between the Chinese clique and U.S. imperialism to carry out joint actions in Southeast Asia.

It is well to remember that China's aggression against Vietnam in February 1979 was preceded by meetings between Beijing and U.S. leaders along with a huge anti-Vietnamese press campaign. The signs are now the same. While Carter and Hua meet in Tokyo, Deputy Secretary of State Richard Holbrooke and Democratic majority leader in the Senate, Robert Byrd, are visiting Beijing. Chinese leaders accuse Vietnam of threatening the area's countries and of carrying out aggressions against China along the border. The cynicism of the Beijing clique is an attempt to hide the real purpose of all this: a new armed aggression against the Vietnamese people as soon as the rains permit. This has the approval of the U.S. government. The Chinese are entertaining the idea of occupying the northern part of Vietnam and establishing there a so-called democratic republic backed by its troops and headed by counterrevolutionary traitor Hoang Van Hoan. It is not an accident that some months ago Van Hoan toured the Chinese provinces bordering Vietnam and that the formation of counterrevolutionary groups has been accelerated in Vietnamese territory near the border. It is certain that Hua Guofeng will try to commit Carter to the promised U.S. military aid to China and discuss other details of the plans that both countries have for Southeast Asia, very especially against Vietnam, Afghanistan and Kampuchea. That is why the Chinese drums of war have begun to roll--an ominous sign.

BARBADOS

ADAMS PREDICTS COUNTRY TO BECOME BIG BANKING CENTER

FL071405 Bridgetown ADVOCATE-NEWS in English 2 Jul 80 p 1

[Excerpt] Prime minister and minister of finance, Mr. Tom Adams, has predicted that Barbados will become a booming offshore banking centre.

Mr. Adams, who headed a high-powered government team to major cities in North America and Europe in April promoting Barbados as an offshore banking centre, yesterday in the House of Assembly moved the second reading of a bill to amend the Offshore Banking Act.

The prime minister said that as a result of representations made, the government had decided to premit certain licensed banks to carry on offshore banking business in Barbados without the formality of having to form a local compnay first.

Mr. Adams said that the reason for this was that there were certain capital requirements in the act which could very easily be met by a very substantial number of foreign banks, including those that at present operate onshore, who may wish to carry out off-shore banking.

The prime minister said that they had listened carefully to representations which were made, and they had decided that within strict limits, foreign banks would be allowed "to branch" in respect of offshore business.

Mr. Adams gave the assurance that the Central Bank of Barbados would take every caution in advising the minister of finance whether a foreign-based bank should be offered an offshore banking licence.

He noted that there were one or two banks which were international in character and were thoroughly reputable.

DOMINICAN REPUBLIC

VENEZUELA'S HERRERA TO VISIT 16 JUL TO DISCUSS TRADE

PA091749 Paris AFP in Spanish 0250 GMT 9 Jul 80

[Text] Santo Domingo, 8 Jul (AFP)--Venezuelan President Luis Herrera Campins will arrive here on 16 July for an official visit during which he will discuss several oil-financing, development and trade projects with Dominican President Antonio Guzman, it was learned tonight from reliable sources.

Details for the negotiations are reportedly being concluded. In the initial phase, these negotiations will involve some $600 million that the Dominican Government will request as joint financing under "quite mild" terms "with a 10-year grace period."

According to the sources, the details of the visit are being coordinated by Venezuelan Ambassador Elias Casado and by Protocol Director Alvaro Logrono Balle.

The agenda for the negotiations includes, in the first place, Venezuela's granting of a $600 million credit line that the Dominican Republic hopes to receive in the form of disbursements made through a mechanism especially created for this situation. The credit would be long term, for no less than 10 years.

The package might (?be used) to finance future oil purchases or currency-generating development projects. According to the source, the Dominican Republic would still have to pay Venezuela for the price hikes that will continue to be announced until the end of this year.

These negotiations would be independent of an agreement that exists between the two countries at the central bank level, which last week favored a $40 million deposit in the Dominican Central Bank to be used as balancing entry [contrapartida].

Venezuela presumably plans to provide the Dominican Republic with a technical aid program that will enable it to conduct oil explorations patterned after the Venezuelan Las Mercedes oil enterprise.

GRENADA

CUBAN AID, USSR SURVEY OF FISHING POTENTIAL NOTED

PA090324 St Georges Radio Free Grenada in English 2330 GMT 8 Jul 80

[Text] The Grenada Fisheries School produced a [words indistinct] qualified fishermen, among them one was a qualified captain. The five students have just completed a 3-months training course in the techniques of modern fishing. This afternoon at the graduation ceremony, Minister of Agriculture and Fisheries Brother Unison Whiteman described the just-completed course as a move by the [?ERG] of science and technology to the benefit of the people. He said that more than technology would be put to use in other areas which have great deficient [word indistinct] of poverty which we have inherited from imperialism.

The principal of the school, Brother Emanuel Roberts, said that the fishing school was a direct manifestation of one of the promises that have been made by the New Jewel Movement in their manifesto of 1973. He said that the school had originally started with more than 30 students but due to a number of unfortunate incidents a number of students had to discontinue classes. He thanked the students and the Cubans who had conducted the classes and urged the students to be as disciplined as the Cuban comrades whom he described as very hard working.

The coordinator of the Cuban-Grenadan project also delivered an address in which he stressed that Cuba was committed to assist Grenada and in spite of recent acts of terrorism to turn back the Grenada revolution, Cuba would continue to support the struggle. The ceremony was attended for the secretary for [words indistinct] officials for the Ministry of Agriculture and Fisheries and Cuban officials in Grenada.

Also at this afternoon's ceremony Brother Whiteman, whose responsibility includes the area of fisheries, disclosed that this country could well look forward to a shrimping industry some time in the future. Brother Whiteman made the hint that he addressed the graduating class at the fisheries school [word indistinct] these on the findings of a survey on [word indistinct] waters around Grenada during the past 2 weeks by Soviet fishing personnel.

Brother Whiteman said that the purpose of assessing fishing potential in any country would be a very complicated one requiring a high level of skill and a great deal of highly expensive equipment. It was here that the Peoples Revolutionary Government approached the Soviet authorities for assistance in assessing Grenada's fishing stocks.

[Begin recording] We approached the Soviet authorities to assist in this task and I am very happy to report this afternoon that the Soviet authorities responded so readily and sympathetically and we shall soon be very happy to welcome them here. [applause]. [passage indistinct] [end recording].